



www.csi.mt.gov 1-800-332-6148 406-444-2040

HB 128 GENERALLY REVISE INSURANCE LAWS

What does this bill do?

HB 128 gives the Montana Commissioner of Securities and Insurance the ability to enforce changes to health insurance policies that benefit consumers. These changes went into effect on health insurance policies upon issue or renewal after September 23, 2010. Some provisions may not apply if the plan was in effect on March 23, 2010 and is considered a grandfathered plan.

Prohibit Preexisting Condition Exclusions for Children Under 19

Health plans may not exclude, limit or deny coverage for children under 19 by imposing a preexisting condition exclusion. **This provision does not apply to grandfathered plans.**

Prohibit Lifetime Limits and Annual Limits

Health plans may not establish a dollar limit for "essential benefits" for the entire time the individual is covered under the plan.

This provision applies to all coverage.

Health plans must phase out the use of annual dollar limits for "essential benefits." *An "essential benefit" is defined on page 24 of the bill in section 33-22-140.*

This provision applies to all coverage except grandfathered individual coverage.

No cost-sharing for Preventive Services

Health plans may not require a co-payment, co-insurance, or deductible for preventive health services. *"Preventive services" is defined on page 7 of the bill.* **This provision does not apply to grandfathered plans.**

Pediatricians as Primary Care Physicians

Health plans that require covered individuals to choose a primary care provider must allow the choice of any available PCS and must allow the choice of pediatricians for children.

This provision does not apply to grandfathered coverage.

Prohibit Rescissions of Coverage

Health plans may no longer declare policies invalid from the date of issue due to a mistake by an applicant about their health information. Rescissions can only occur if an insured intentionally misrepresented material facts that relate to their health. **This provision applies to all coverage.**

Extend Dependent Coverage to Age 26

Health plans that offer dependent coverage must extend coverage to the dependent until they reach age 26, regardless of marital status.

This provision applies to all coverage.

What happens if HB 128 is not passed?

The market reforms in HB 128 are already in effect for health plans. Health insurers have filed amended policy forms with CSI and implemented the changes.

The CSI receives thousands of inquiries and hundreds of complaints from consumers each year regarding their health insurance plans.

Each year, the Policyholder Services Division recovers millions of dollars in unpaid claims for consumers.

If HB 128 does not pass, consumers will have to ask questions and file complaints on these issues with the federal HHS and there will likely be a federal enforcement office set up in Montana.